

## Administrative Committee

### Sec. 991.15 Establishment and Membership.

- (a) A Hop Administrative Committee consisting of eight members, each of whom shall have an alternate, is hereby established to administer the terms and provisions of this part. Five of the members and their alternates shall be producers in District 1, Two members and their alternates shall be producers in District 2; and One member and his/her alternate shall be producers in District 3. An additional member and his/her alternate shall represent the public and shall be an ex-officio member of the Committee without a vote.
- (b) Representation on the Committee shall be by independent producers as follows:
  - (1) Position 1 for District 1, Sub District 1 shall be all that portion of the State of Washington lying north of the south line of Township 12 N.
  - (2) Position 2 for District 1, Sub District 2 shall be all that portion of the State of Washington lying south of the south line of Township 12 N. and west of the east line of Range 20 E.
  - (3) Position 3 for District 1, Sub District 3 shall be all areas of the state of Washington not included in Sub District 1 or Sub District 2.
  - (4) Position 4 is an at large position and shall be all of District 1.
  - (5) Position 5 is an at large position and shall be all of District 1.
  - (6) Position 6 shall be all of District 2.
  - (7) Position 7 shall be all of District 2.
  - (8) Position 8 shall be all of District 3.
- (c) The committee may change sub-district boundaries in District 1 to reflect significant changes in numbers of producers.
- (d) Each Committee shall select officers consisting of a Chairman, Vice Chairman, Secretary and Treasurer and these officers shall constitute the Executive Sub Committee.

*Note: The makeup of the committee reflects as much as possible the acreage in each of the districts. A similar system is used in current hop grower organizations. Providing fair and equitable representation to all growers is the main objective here. A public member is provided for to give the committee the benefit of an outside perspective.*

### Sec. 991.16

#### Eligibility.

Each member and alternate of the Committee shall be, at the time of his/her selection and during his/her term of office, a producer or an officer or employee of a producer, in the district or sub district for which selected: Provided, That these requirements shall not apply to the public member and the alternate public member.

*Note: All members of the committee (except the public member and alternate) will be people actively involved in the production of hops.*

Sec. 991.17

Term of Office.

The term of office of each member and alternate member of the Committee shall be for a period of 3 years: Provided, that the members initially selected for Positions 1, 2 and 5 shall serve for terms ending on December 31, 2006, and the members initially selected for Positions 3, 7 and 8 shall serve for terms ending on December 31, 2007, and the members initially selected for Positions 4 and 6 shall serve for terms ending on December 31, 2008. Committee members shall serve in such capacity and for the term of office for which they are selected and have qualified and until their respective successors are selected and have qualified. No member shall serve more than two consecutive terms as member and no alternate shall serve more than two consecutive terms as alternate.

*Note: The initial staggering of the expiration of terms will provide consistency and institutional memory for the committee.*

Sec. 991.18

Nominations.

- (a) Nominations for producer members of the Committee and their[[Page 44247]]alternates shall be made at nomination meetings of producers in each District or Sub-District. Such meetings shall be held at such times (on or before November 1 of each year) and places as the Committee shall designate. One nominee shall be elected for each position to be filled. The names and addresses of each nominee shall be submitted to the Secretary not later than December 1 of each year.
- (b) Only producers, including duly authorized officers or employees of producers present and eligible to serve as producer members of the Committee, shall participate in the nomination. If a producer produces hops in more than one district, the producer shall select the district in which that producer will participate and notify the Committee of the choice.
- (c) Should the Committee find it impractical to hold nomination meetings, nominations may be submitted to the Secretary based on the results of balloting by mail. Ballots to be used may contain the names of candidates and a blank space for write-in candidates for each position, together with voting instructions. The eligible person receiving the highest number of votes for a member or alternate position shall be the nominee for that position.
- (d) The producer members of the Committee shall nominate the ex-officio public member and alternate public member at the first meeting following the selection of members for a new term of office.
- (e) Initial members. As soon as practicable following the effective date of this part, the Secretary shall hold, or cause to be held, nomination meetings of producers in each district to nominate the initial members of the Committee.
- (f) The Committee shall issue rules and regulations necessary to carry out the provisions of this section or to change the procedures in this section in the event they are no longer practical.

#### Sec. 991.19

##### Selection.

Committee members shall be selected by the Secretary from nominees submitted by the Committee or from among other eligible persons. Each person so selected shall qualify by filing a written acceptance with the Secretary prior to assuming the duties of the position.

#### Sec. 991.20

##### Alternate members.

An alternate for a member shall act in the place of such member:

- (a) In the member's absence,
- (b) In the event of the member's death, removal, resignation, or disqualification, until a successor for the member's unexpired term has been selected and has qualified, or
- (c) When requested and designated by the member.

#### Sec. 991.21

##### Vacancies.

To fill any vacancy occasioned by the failure of any person appointed as a member or as an alternate member of the Committee to qualify, or in the event of the death, removal, resignation, or disqualification of any member or alternate member of the Committee, a successor to fill the unexpired term shall be nominated and appointed in the manner specified in Sec. Sec. 991.18 and 991.19. If the names of the nominees to fill any such vacancy are not made available to the Secretary within 30 days after such vacancy occurs, the Secretary may fill such vacancy without regard to nominations, which appointment shall be made on the basis of representation provided for in Sec. 991.15.

#### Sec. 991.22

##### Powers.

The Committee shall have the following powers:

- (a) To administer this part in accordance with its terms and provisions;
- (b) To make rules and regulations to effectuate the terms and provisions of this part;
- (c) To receive, investigate, and report to the Secretary complaints of violations of this part; and
- (d) To recommend to the Secretary amendments to this part.

*Note: The committee would have the ability to exempt those producers for whom this order is not intended. It is not the intention of the order to restrict the actions of any brewer and their growing activities producing hops used in their own brewing operation.*

Duties.

The Committee shall have, among others, the following duties;

- (a) To select from among its membership such officers and adopt such rules or bylaws for the conduct of its meetings as it deems necessary;
- (b) To appoint such employees as it may deem necessary, and to determine the compensation and to define the duties of each employee;
- (c) To appoint such subcommittees and consultants as it may deem necessary;
- (d) To keep minutes, books, and records which will reflect all of the acts and transactions of the Committee and which shall be subject to examination by the Secretary;
- (e) To prepare periodic statements of the financial operations of the Committee and to make copies of each such statement available to producers and handlers for examination at the office of the Committee;
- (f) To cause the books of the Committee to be audited by a certified public accountant at such times as the Committee may deem necessary, or as the Secretary may request, to submit copies of each audit report to the Secretary, and to make available a copy which does not contain confidential data for inspection at the offices of the committee by producers and handlers;
- (g) To act as intermediary between the Secretary and any producer or handler;
- (h) To investigate and assemble data on the growing, handling, and marketing conditions with respect to hops and hop products;
- (i) To submit to the Secretary such available information as may be requested or that the Committee may deem desirable and pertinent;
- (j) To notify producers and handlers of all meetings of the Committee to consider recommendations for regulations and of all regulatory actions taken affecting producers and handlers;
- (k) To give the Secretary the same notice of meetings of the Committee and its subcommittees as is given to its members;
- (l) To investigate compliance and use means available to prevent violations of the provisions of this part;
- (m) To redefine, with the approval of the Secretary, the districts into which the production area is divided and to reapportion the representation of any district on the Committee: Provided, That such changes shall reflect, insofar as practical, shifts in hop production within the production area and numbers of producers; and
- (n) To establish such rules and regulations as are necessary or incidental to administration of this part, as are consistent with its provisions, and as would tend to accomplish the purposes of this part and the act.

Sec. 991.24

Committee Expenses and Compensation.

Members and Alternates of the Committee shall serve without compensation but shall receive such allowances for necessary expenses incurred in connection with their duties as may be approved by the Committee.

Sec. 991.25

Procedure.

- (a) At an assembled meeting, all votes shall be cast in person and seven members of the Committee shall constitute a quorum. Decisions of the Committee shall require the concurring vote of at least six members. If both a Committee member and appropriate alternate are unable to attend a Committee meeting, the Committee may designate any other alternate from the same district who is present at the meeting to serve in the member's place.
- (b) The Committee may vote by mail, telephone, or other means of communication: Provided, That each[[Page 44248]] proposition is explained accurately, fully, and identically to each member. All votes shall be confirmed promptly in writing. Seven concurring votes and no dissenting votes shall be required for approval of a Committee action by such method.

*Note: This is the super majority clause. To prevent any district from controlling the committee, one vote would be needed from one of the other districts. This is important as it prevents one district from forcing its will on the other districts. Fairness to all growers in all committee action is the intention here.*

Sec. 991.26

Research and Development Projects.

The Committee may establish or provide for the establishment of production research, marketing research and development projects designed to assist, improve, or promote the marketing, distribution and consumption or efficient production of hops. The expense of such projects shall be paid from funds collected pursuant to Sec. 991.31.

*Note: The provisions provided above for the establishment and operation of the administrative committee are all very important to the overall success and sustainability of the proposed order. Providing growers the assurance of a structure that gives confidence in the ability of the committee to be run fairly is above all the most important part of implementing the order. If we are sincere in our desire to help stabilize the price for hops, help farmers find consistency in their industry, provide a stable industry that will be good for our consumers we must have a solid foundation from which to build. This provides that foundation. In our efforts to help the industry we must not lose sight of the most important element, fairness to all that will be effected.*

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